



Downtown Center Business Improvement District

BOARD OF DIRECTORS MEETING MINUTES March 7, 2012

Board of Directors

Eric Bender, Jim Bonham, Barbara Bundy, Marty Caverly, David Damus, Sauli Danpour, Kathy Faulk, Robert Hanaseb, Steve Hathaway, Anne Peaks, Peklar Pilavjian, Paul Rutter, Patrick Spillane, Daniel B. Swartz, Cari Wolk

Absent

Robert Cushman, Joseph Flueckiger, Frank Frallicciardi, Peggy Moretti, Carol Schatz, Cindy Troesh, Peter Zen

Staff

Hal Bastian, Jeff Chodorow, Gennia Cui, Randall Ely, Rachel Forman, Jacob Holloway, Connie Hwang, Lena Mulhall, Ken Nakano, Herman Pang, Anna Wilder

Guests:

Captain Horace Frank of the LAPD, Manny Gallegos, Louis Ordinane, & Adam Dasho of the Office of the Assessor for Los Angeles County

CALL TO ORDER

Faulk called the meeting to order at 8:05 a.m. with a quorum.

APPROVAL OF MINUTES

Spillane made a motion to accept the February 1, 2012 minutes, as presented. Wolk seconded the motion. The motion passed unanimously.

PROPERTY OWNER OR PUBLIC COMMENT: None

FINANCE

Chodorow reported:

The finance committee didn't have a chance to meet due to scheduling issues and therefore unable to approve the financials. Chodorow asked that after financials presented, Board to approve. Net revenues for the first month of 2012 were an over-inflated \$1.65M, which is a result of recognizing the first payment's revenues of over

\$2M vs. \$400K of expenses. However, more important issue is Actual vs. Budget. For the month of January, favorable of \$122K which is result of increased revenues over budget of \$57K and timing difference of expenses of \$65K. That's primarily due to ramping up of the security and maintenance services which was discussed at the end of 2011 on getting fully staffed in those areas and are in process. An open position and timing difference in marketing also attributed to a favorable variance.

There was a brief question and answer discussion. Pilavjian made a motion to approve the January 2012 financial statements. Spillane seconded. The motion passed unanimously.

Faulk announced the guest speaker, Captain Horace Frank.

Captain Horace Frank of the LAPD spoke regarding concerns with thefts. Although, dept. crimes are down 9.9% year-to-date from last year, they have concerns with the high number of thefts, most being attributed to Skid Row. Last week, there were 30 thefts on Skid Row and of those, 20 were as a result of unattended property.

The department is pushing heavily with regards to the injunction that was imposed in April 2011. This injunction, within Skid Row, gives people the right to store property on the sidewalk and has contributed immensely to the number of thefts. The reality is, most of this property is trash and this injunction makes it very difficult to remove it from sidewalks. A few weeks ago, the Deputy City Attorney went to the 9th Circuit Court of Appeals to appeal the injunction. The judge granted a 30 day hold on making a decision and urged the parties, i.e., the ACLU and the City Attorney to come to an understanding. The concern from the LAPD is that the ACLU is going to come up with a plan that's amenable to them and not necessarily for LAPD.

A brief question and answer session followed.

OPERATIONS

Ely reported:

DCBID issued an RFP process for Security and Ambassador Services. UPS was recommended by the Operations Committee to be retained as provider of Security. In addition, UPS will be the provider for the labor of Ambassador Services so both services will be consolidated into one contract. The existing Ambassador Services contract with SGI will be terminated. The contracted amount that UPS is recommending is below what we have budgeted.

UPS volunteered to self-impose penalties for non-performance related to recruitment and contract management and the potential for passing on contract savings directly to the security staff. The contract will be in effect through 12/31/12 and will be eligible for new two year contract in January 1, 2013.

Wolk made a motion to accept UPS as vendor. Bundy seconded. The motion passed unanimously.

Nakano reported:

The safety staff continues to monitor and strategically patrol the 7th Street corridor. This area continues to have a high number of quality of life issues that require a high presence of uniformed personnel. 7-11 at 7th & Olive and Walgreen's are particular problem areas with aggressive panhandling and petty thefts. Nakano met with the senior lead officers, Lewis and Fernandez, who met with the managers to strategize on ways to prevent panhandling and petty thefts.

Nakano will update everyone at next month's Board meeting.

There was also a small increase in burglaries to motor vehicles on Flower between 7th & 8th Street. To combat this problem, LAPD conducted some undercover surveillance of the area and the BID (at the request of LAPD) passed out public awareness brochures in the area.

LAPD has its annual BID Appreciation luncheon on March 8, 2012 at Kiyoto Grand, which is put on by the Boosters. One of DCBID's Sergeants will be receiving an award.

Maintenance has been focusing on high traffic areas which constantly require the need for more than usual cleaning. Problematic areas included 7th & Flower, 6th & Flower and 5th & Hill. Trash can placement and a strategic sweeping schedule was implemented in the above areas which appear to have improved.

The outreach team has been focusing attention to the area of the 4th & Flower underpass where up to 17 people are sleeping on a nightly basis. The BID Action team conducted two homeless counts in the month of February. The first count was completed at the beginning of the month while the second count was conducted at the end of the month. The reason for doing two homeless counts was to see if there was a difference in the amount of people based on the time of the month. At the beginning of the month, people typically receive their government assistance checks. During the first count, 78 people were recorded sleeping within the district. When BID Action did their second count, 122 people were recorded.

BID Action will continue to do two homeless counts on a monthly basis to see if this trend is consistent.

Question and answer session followed.

MARKETING REPORT

Forman reported:

The results of the 5 Things to Love about Downtown for Valentine's Day:

The Landing Page- www.downtownla.com/valentines, had nearly 17,400 page-views (an increase of 49% over 2011) and the On-line Sweepstakes resulted in 819 total entries and nearly 400 e-mail newsletter opt-ins.

Throughout the month of February, follow-up calls were made and reminder letters with copies of the petitions were sent regarding DCBID Renewal. Unfortunately, due to the redesign of the petition, several completed petitions had to be returned due to insufficient information. In addition, a DCBID Renewal Property Owner meeting was held on February 9. Nine property owners were in attendance.

DowntownLA.com updates are currently underway and is expected to be completed by the end of first quarter 2012.

In February, the Downtown Ambassadors continued their outreach to businesses, residents and visitors in the Downtown Center, distributing over 38,000 pieces of collateral, including nearly 13,800 Downtown Guides and 24,300 Welcome Maps.

Annual report was brought in-house and is expected to be ready for production in mid-March. This will save approximately \$17,000.

Grayling assisted the DCBID with Valentine's Day planning and worked with Frontier's magazine on a special Downtown LA section.

ECONOMIC DEVELOPMENT REPORT

Bastian reported:

DCBID's Economic Development Department has spent the month working with the Marketing Department on the petition process for BID Renewal.

There has been an uptick in the economy and is being seen in a number of different ways. The housing tour that DCBID has been giving for the last 10 years has been over-subscribed for the last four months and it will be again this Saturday. Also, the condo resale values have been increasing.

DCBID convened a meeting in its administrative office called 7th Street Stakeholders for retailers, bars and restaurants that operate along 7th Street to talk about how quality of life issues are negatively impacting their businesses. The LAPD was present along with Ken Nakano and we are working on a strategy to improve conditions.

The Retail Recruitment and 7th Street Retail Project is ongoing: A tour of a casual menswear store was given, a tour date was set with a regional home furnishings tenant for March, a final design took place for the 7th Street Retail Recruitment marketing tri-fold brochure, and a tour was given to a local boutique commercial real estate brokerage firm that is interested in helping with our recruitment program.

American Planning Association started planning two special tours for the month of April that will be given to delegates from all over the United States.

Tenant Retention is ongoing. DCBID met with a broker who is representing a large office tenant who may be considering moving out of the Downtown market.

HISTORIC DOWNTOWN BID

Faulk Reported:

A special Executive Committee meeting convened this morning to discuss potential settlement of \$8K with Historic Downtown BID. The outstanding balance is \$20,805, which represents the normal administrative expenses that DCBID charges on a regular monthly basis. The Board agreed with the Executive Committee to accept \$8K as final settlement.

Bundy made a motion recommending settlement of \$8K, Hathaway seconded and the motion passed unanimously.

DCBID RENEWAL

Ely Reported:

DCBID is currently at 45.02% and need to hit 50.1%. Goal is to go into City Hall with at least 60%. Brookfield is expected to be signed by Tuesday or Wednesday of next week which will put DCBID over the threshold. Ely and his group will be reaching out to a few key property owners to help achieve the 60% mark. DCBID is ahead of schedule and will be on target for end of month to submit the paperwork to the City Clerk to formally begin the process.

Faulk announced Lena Mulhall as new DCBID staff person.

OLD BUSINESS

None

NEW BUSINESS

Ely Reported:

An email was sent out to the Board regarding the City Clerk Brown Act training. If anyone has an opportunity to attend, would highly recommend it. The purpose of this training is to ensure the BID's clearly understand the operations of the Brown Act. The training session is 2.5 hours.

ADJOURNMENT

The next meeting will be on Wednesday, April 4, 2012, at 8:00 a.m. The meeting was adjourned at 9:42 a.m.